

STATE

STATE DIVISION OF ARCHIVES AND RECORDS MANAGEMENT

Records Management

Electronic Submission of Land Title Documents for Recordation

Proposed New Rules: N.J.A.C. 15:3-9

Authorized By: Kimberly M. Guadagno, Lieutenant Governor and Secretary of State,
Department of State.

Authority: P.L. 2011, c. 217 (N.J.S.A. 46:26A and 26C)

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2014-122.

Submit written comments by September 19, 2014, to:

Postal Mail:

Kathleen Kisko, Assistant Secretary of State

Department of State

PO Box 300

Trenton, NJ 08625-0300

Fax: (609) 777-1764

E-mail: Kathleen.Kisko@sos.state.nj.us

Overnight or hand delivery:

State House

Secretary of State's Office

125 West State Street

Trenton, NJ 08625

The agency proposal follows:

Summary

P.L. 2011, c. 217, added new N.J.S.A. 46:26A-1 et seq., 46:26B-1 et seq., and 46:26C-1 et seq.. Chapters 26A and 26C establish a requirement for county clerks and registers of deeds and mortgages (referred to herein generically as “county recording officers” or “county recorders”) to accept for recording electronically submitted land title documents no later than May 1, 2017, and allows county recording officers to accept electronically submitted land title documents prior to that date, provided they comply with the State's adopted rules and standards. The same chapters also require the Division of Archives and Records Management, in consultation with the county recording officers, to promulgate rules to implement this legislation by establishing format and technical requirements for recorded documents to foster Statewide uniformity in title recordation. The legislative mandates in these two chapters are addressed in proposed new N.J.A.C. 15:3-9.

N.J.S.A. 46:26B-1 et seq. establishes requirements for the approval of maps, plats, plans, right-of-way parcel maps, charts, or surveys of land by municipalities, and for filing of the same with county recording officers. This legislative mandate does not require the promulgation of administrative rules, and thus Chapter 26B is not addressed in proposed new N.J.A.C. 15:3-9.

The proposed new subchapter establishes rules and standards to ensure uniformity, integrity, and security in the process of submitting and receiving land title documents electronically for purposes of recordation, while allowing sufficient flexibility to county

recording officers to meet this legal requirement without forcing onerous and expensive reengineering of business processes. Also, the proposed rules require that trusted submitters must submit electronic land title documents or packages of electronic documents to county recording officers in a manner consistent with the State's rules and standards, as well as with procedures and technology adopted by individual county recording officers. Finally, an electronic land title document or document package submitted to a county shall be received using the same procedures and technology as determined by each county recording officer in accordance with this subchapter.

From a historical perspective, P.L. 2011, c. 217 represented one of several steps towards compliance with the Uniform Electronic Transactions Act (UETA) passed by the New Jersey Legislature in 2001 (P.L. 2001, c. 116), which broadly requires the acceptance of electronic submission and recording alternatives to paper documents.

The principal stakeholders in this legislation are New Jersey's 21 county clerks and registers of deeds and mortgages (county recording officers), who collectively bear statutory responsibility for receiving, processing, and recording land title documents, and the land title industry (banks, mortgage and title insurance companies, law firms, etc.), which submits such documents for recording.

The proposed new subchapter contains the following provisions:

N.J.A.C. 15:3-9.1 identifies the purpose of the subchapter as the establishment of rules and standards for electronic submission of documents affecting real property, and for providing integrity and security of transmissions when county recorders accept and record real property documents using electronic methods.

N.J.A.C. 15:3-9.2 provides definitions of the terms "‘automated clearing house’ or

‘ACH,’" "authentication, authenticated, and authenticate," "business requirements," "county recorder," "cover sheet," "Division," "electronic document," "electronic document package," "electronic document submission system" "“electronic recording’ or ‘eRecording,’” "electronic signature," "electronic submission," "electronic synopsis," "electronic transmission," "formatting," "land records management system," "MISMO," "“portable document format’ or ‘PDF,’” "“portal’ or ‘web portal,’” "PRIA," "reception," "recording fee," "submitter," "“tagged image file format’ or ‘TIFF,’” "third-party service," "transmitting party," "trusted submitter," and "trusted submitter agreement."

N.J.A.C. 15:3-9.3 establishes general requirements for county recorders to accept electronic documents and electronic document packages, and for trusted submitters to transmit electronic documents and electronic document packages in a manner consistent with each county recorder's procedures and technology.

N.J.A.C. 15:3-9.4 establishes general technical standards and implementation procedures for recording of electronic document submissions, the use of Internet-based systems, security of submissions, and for electronic signatures. The standards and implementation procedures are based on industry standards for electronic document submission, reception, formatting, and data fields, as promulgated by the Property Records Industry Association (PRIS) in PRIA standard 2.4.1, which is comprised of the following: Document Version 2.4.1 DTD; Notary Version 2.4.1; PRIA Request Version 2.4.2; and PRIA Response Version 2.4.1 (*eRecording XML Implementation Guide for Version 2.4.1, Revision 2*); considering the types of issues that impact secure processing of electronic documents (*Electronic Recording Security Considerations*, adopted by the PRIA Board on July 6, 2009); considering the evolving nature and definition of business models for electronic recording of documents (*Models of eRecording: A continuum of*

Electronic Recording Updated, adopted by the PRIA Board on July 14, 2009); and understanding document indexing factors (*PRIA Position Paper: e-Document Index Data*, adopted by the PRIA Board on March 29, 2012). Finally, the subchapter incorporates system implementation guidelines as set forth in the Uniform Real Property Electronic Recording Act (URPERA Enactment and eRecording Standards Implementation Guide, January 2006). All PRIA documents can be accessed via the Resource Library found at www.pria.us.

N.J.A.C. 15:3-9.5 establishes business requirements and guidelines by county recorders and PRIA for submission of electronic documents and electronic document packages by trusted submitters. The business requirements and guidelines center on requirements contained in *eRecording Business Requirements (Business Requirements Documents* dated March 8, 2008), developed by PRIA and the Mortgage Industry Standards Maintenance Organization (MISMO). This document describes the business requirements to allow for the recording of electronic recordable instruments in common electronic document formats, such as MISMO SMART Doc®, eSigned PDF and Adobe Intelligent Document Format, and Microsoft® Word with embedded-XML. A copy of the current standards and guidelines for submission of electronic documents can be accessed via the Resource Library found at www.pria.us.

N.J.A.C. 15:3-9.6 establishes requirements for notarization of electronic documents under the New Jersey Uniform Electronic Transactions Act and eliminates county recorders' responsibility to verify or authenticate notary signatures.

N.J.A.C. 15:3-9.7 establishes rules for the return and rejection of electronically submitted documents by county recorders, if such documents do not meet the requirements of N.J.S.A. 46:26A-6.a. as to form, compliance with applicable recording statutes, and payment of fees.

N.J.A.C. 15:3-9.8 establishes requirements for conversion of electronically submitted

documents to TIFF format, and for county recorders to maintain and preserve recorded documents in their "native" or original format pursuant to retention requirements of the State Records Committee.

N.J.A.C. 15:3-9.9 outlines requirements for retention and preservation of all records in the custody of county recorders, including permanent and long-term imaged documents.

N.J.A.C. 15:3-9.10 establishes a requirement for county recorders to accept payment of recording fees by electronic means and permits county recorders to do so in a manner compatible with their existing internal software, financial practices, and applicable rules in N.J.A.C. 5:30-9.

N.J.A.C. 15:3-9.11 establishes a requirement for county recorders to post publically their business policies and procedures for submitting documents electronically, including: types of documents that can be submitted electronically, guidelines for using a third-party portal for submission, indexing specifications, hours of operation and processing schedules, payment options, and advance notice of amendments or alteration to these policies and procedures.

N.J.A.C. 15:3-9.12 establishes requirements for every electronic document submitter, transmitting party, and third-party submission service to complete and sign a Trusted Submitter Agreement or third-party agreement application with the county recorder(s) prior to receiving authorization to submit documents electronically; and sets forth the minimum terms and conditions for participation to be included in such agreements.

N.J.A.C. 15:3-9.13 outlines standards and guidelines for use of an electronic synopsis of electronic documents or electronic document packages submitted to county recorders on or before May 1, 2017, including specific data fields required in an electronic synopsis; establishes guidelines for submitting document images with an imaged cover sheet if no electronic synopsis is used; requires the Division to issue a common schematic formula comprising specific data

fields for printed cover sheets to be adopted, posted publicly, and used by each county recorder after validation by the Division; and requires that cover sheets shall be treated as part of each submitted document for purposes of page-based display and fee calculation.

A 60-day comment period on this notice of proposal is provided and, therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, this notice is not subject to the provisions of N.J.A.C. 1:30-3.1 and 3.2 governing rulemaking calendars.

Social Impact

The proposed new rules will have a positive social impact by outlining and setting forth the process whereby real property documents and related financial instruments may be submitted electronically for recording by county recording offices. Facilitating electronic submission and recording alternative for public records will enhance the speed and efficiency of real estate transactions, while simultaneously ensuring the accuracy, integrity, security, and permanence of recordings of such transactions, and reducing the counties' administrative costs for processing recordings. This benefits all New Jersey residents because it will facilitate commerce, decrease government operational costs, and improve public records preservation and access.

Economic Impact

The proposed new rules regarding electronically submitted documents will enhance the speed and efficiency of submitting land title transactions by the real estate and financial industries, while simultaneously ensuring the accuracy, integrity, security, and permanence of

recordings of such transactions, and reducing the counties recording offices' administrative processing costs. Electronic submission of land title and related financial documents will facilitate commerce, decrease government operational costs, and improve public records preservation and access.

Federal Standards Statement

Executive Order No. 27 (1194) and P.L. 1995, c. 65, require that a State agency that adopts or amends rules that exceed Federal standards or requirements include in the rulemaking a comparison with Federal law. The proposed new rules are not subject to and do not exceed Federal standards or requirements; therefore, a Federal standards analysis is not required.

Jobs Impact

It is not anticipated that any jobs will be generated or lost as a result of the proposed new rules.

Agriculture Industry Impact

The proposed new rules will have no impact on the agriculture industry.

Regulatory Flexibility Statement

The proposed new rules have been reviewed with regard to the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The proposed new rules do not impose reporting, recordkeeping and compliance requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., as the rule only impose requirements on the counties. Therefore, a regulatory flexibility analysis is not required.

Housing Affordability Impact Analysis

The proposed new rules will have no appreciable impact on housing affordability in the State of New Jersey, and the rules will not cause any noticeable change in the average costs associated with housing because the proposed new rules deal only with the process of submitting real property documents electronically for recording purposes.

Smart Growth Development Impact Analysis

The proposed new rules will have no appreciable impact on the number of housing units or the availability of affordable housing in this State, and will have no effect on smart growth development in Planning Areas 1 or 2, or within designated centers under the State Development and Redevelopment Plan. This is because the proposed new rules have nothing to do with housing production within Planning Areas 1 or 2, designated centers, or anywhere else in the State of New Jersey. The proposed new rules deal only with the process of submitting real property documents electronically for recording purposes.

Full text of the proposed new rules follows:

SUBCHAPTER 9. RULES REGARDING ELECTRONICALLY SUBMITTED DOCUMENTS
AFFECTING REAL PROPERTY IN THE OFFICES OF NEW JERSEY COUNTY CLERKS
AND REGISTERS OF DEEDS AND MORTGAGES

15:3-9.1 Purpose

The purpose of this subchapter is to establish electronic submission standards and practices for documents affecting real property and to provide for integrity and security of transmissions when county recorders accept and record real property documents using electronic methods.

15:3-9.2 Definitions

The following words and phrases, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"ACH" or "automated clearing house" means the network processing and delivery system that provides for the distribution and settlement of electronic credits and debits among financial institutions administered and subject to rules of National Automated Clearing House Association (NACHA) and the Federal Reserve Board.

"Authentication," "authenticated," or "authenticate" means the act or effect of tying an action or result to the person claiming to have performed the action. "Authentication" generally requires a password or encryption key to perform and the process will fail if the password or key is incorrect.

"Business requirements" means the information, steps, and process required by any

individual county recorder for accepting submissions of electronic documents for recording.

"County recorder" means the county clerk or register of deeds and mortgages, as appropriate to each county.

"Cover sheet" means a physical document that provides summary information concerning a real property transaction and subject to the requirement described in this subchapter.

"Division" means the New Jersey Division of Archives and Records Management or its successor agency.

"Electronic document" means a document that is received by a county recorder, in an electronic form, meeting the document standards of this subchapter.

"Electronic document package" means a set of documents or information in electronic form that is transmitted to the county recorder; the package may be described as a technical specification of how the documents or information should be organized in electronic media for interchange between the county recorder and the trusted submitter or transmitting party.

"Electronic document submission system" means the computer program, and the hardware components that host it, that receives electronic documents and electronic document packages submitted for recording.

"Electronic recording" or "eRecording" means the indexing and insertion of electronic documents received and accepted by county recorders into the permanent repository of records of the counties of this State.

"Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a document and executed or adopted by a person with the intent to sign the document.

"Electronic submission" means the reception by the county recorder of an electronically

transmitted document or electronic document package.

“Electronic synopsis” means information required and formatted in a manner specified in this subchapter that can be read by a county recorder’s electronic document submission system.

“Electronic transmission” means an electronic communication not directly involving the physical transfer of a document in a tangible medium and that may be retained, retrieved, and reviewed by the submitter and the county recorder, and that may be directly reproduced in a tangible medium.

"Formatting" means the appearance or attributes of the document.

"Land records management system" means the computer software or electronic system used by a county recorder's office to index and store both document images and searchable attributes that identify the document.

"MISMO" means the Mortgage Industry Standards Maintenance Organization, a subsidiary of the Mortgage Bankers Association (MBA), Washington, DC. Information on MISMO and MISMO standards can be found at www.mismo.org.

"Portable Document Format" or "PDF" means a file format created by Adobe Systems, Inc. that uses the PostScript printer description language to create documents. PDF files capture the appearance of the original document, can store both text and images, are difficult to modify, and can be rendered with free, cross-platform viewer software.

"Portal" or “web portal” means a website considered as an entry point to other websites, often by being or providing access to useful content, as well as functioning as a gateway to other web locations.

“PRIA” means the Property Records Industry Association. PRIA is a not-for-profit association representing business and government members of the property records industry.

"Reception" means the receiving of the electronic document(s).

"Recording fee" means any fee or tax imposed by statute, chargeable or receivable by the county recorder as a prerequisite to recording a document.

"Submitter" means the person or entity that originates an electronic submission or delivers it to the transmitting party for transmission to the county recorder.

"Tagged Image File Format" or "TIFF" means a non-proprietary, defined file format for storing bit-mapped images.

"Third-party service" means a company that consolidates or aggregates electronic submissions from individual submitters and submits them electronically to the county recorder.

"Transmitting party" means the person or entity that electronically transmits an electronic document to the county recorder. This can be the submitter, but is often a service that specializes in transmitting electronic documents to a county recorder.

"Trusted submitter" means a party that has a trusted submitter agreement accepted by and on file with the county recorder in order to record documents electronically.

"Trusted Submitter Agreement" means the agreement to be signed by any party who wishes to become a trusted submitter.

15:3-9.3 General requirements

(a) By no later than May 1, 2017, all county recorders shall accept electronic documents and electronic document packages that are submitted for recordation pursuant to this chapter. Electronic submissions may include electronic synopses as set forth at N.J.A.C. 15:3-9.13.

(b) A trusted submitter shall submit an electronic document or an electronic document package to a county recorder in a manner that is consistent with procedures and technology adopted by

individual county recorders. An electronic document or electronic document package submitted to a county recorder shall be received using procedures and technology as determined by the county recorder in accordance with this subchapter.

15:3-9.4 Standards

(a) General technical standards and implementation for recording of electronic submissions is as follows:

1. Electronic documents and electronic document packages shall be submitted in a manner consistent with the business requirements, technology, and technical standards for the submission of electronic documents adopted by the Property Records Industry Association. Information on PRIA and the specific requirements and standards are found on the PRIA website at: www.pria.us.

2. The following standards for document formatting and document data fields promulgated by PRIA are incorporated herein by reference, as amended and supplemented, and available via the PRIA Resource Library at www.pria.us :

- i. PRIA Request Version 2.4.2;
- ii. PRIA Response Version 2.4.2;
- iii. Document Version 2.4.1;
- iv. Notary Version 2.4.1;
- v. eRecording XML Implementation Guide for Version 2.4.1, Revision 2;
- vi. URPERA Enactment and eRecording Standards Implementation Guide, January 2006;
- vii. PRIA "Electronic Recording Security Considerations," adopted by the PRIA

Board on July 6, 2009;

viii. PRIA “Models of eRecording: A Continuum of Electronic Recording Updated,” adopted by the PRIA Board on July 14, 2009; and

ix. PRIA “Position Paper: e-Document Index Data,” adopted by the PRIA Board on March 28, 2012.

3. County recorders may adopt, change, or revoke policies to provide the data and transmission elements and attributes of the electronic document submission system used by the county recorder to permit submitters to design applications to submit directly to the system, not inconsistent with existing laws or rules.

(b) Use of internet-based systems is as follows:

1. An electronic submission delivered over the Internet shall provide a minimum amount of information sufficient to identify and authenticate the submitter to the county recorder, while also itemizing the contents of the package.

2. Payment processing services shall be determined by the county recorder and any third-party service provider used by the county recorder, and may include credit cards, ACH, escrow accounts, electronic checks, the Federal Reserve Wire Network (FedWire) transfer, a bank wire transfer, or other payment methods and are subject to N.J.A.C. 5:30-9, Government Electronic Receipt Acceptance.

(c) Security standards are as follows:

1. The county recorder shall implement procedures and requirements in order to ensure the security of the electronic submission process, including the authenticity and integrity of the

electronic documents, the maintenance of the public record, and the use of a portal, if chosen as the means for electronic document delivery. Such procedures and requirements must be consistent with N.J.S.A. 46:26A-1 et seq., and 46:26C-1 et seq., and this chapter.

2. All electronic documents must be secured in such a way that both the transmitting and receiving parties are assured of each other's identity and that no unauthorized party can view or alter the electronic document during transmission, processing, and delivery. The security measures identified in Chapter 6 of the PRIA eRecording XML Implementation Guide, as appropriate to the recording procedures used by the county recorder shall satisfy this requirement.

3. The electronic submission system, the land records management system, and a third-party servicer, if chosen as the medium for electronic document delivery, shall not permit any unauthorized party to modify or alter, access, manipulate, insert, or delete information, without detection, in the submitted electronic document or electronic document package received by the county recorder. This requirement shall not prevent a county recorder from, with approval of a submitter, making index and marginal notations to a recorded document in the public record in order to facilitate its recordation.

4. The electronic submission system, the land records management system, and a portal, if chosen as the medium for electronic document delivery, shall be designed to protect against system and security failures; in addition, these systems shall provide for backup, disaster recovery, and audit trail mechanisms.

5. If a breach in security is detected by the county recorder, submitter, transmitting party, or portal company or operator, the other parties shall be notified immediately.

6. PRIA's "Electronic Recording Security Considerations" document serves as guidance

to the types of issues that need to be considered as part of a comprehensive security analysis of systems and processes. This document also provides a sample methodology that can be utilized by organizations as a self-assessment security tool.

(d) Electronic signatures. County recorders are only required to accept electronic signatures that are consistent with this subchapter and are supported by the technology in use by the county recorder. County recorders have no responsibility to authenticate electronic signatures embedded within the body of a document.

15:3-9.5 Business requirements and guidelines for electronic documents

In addition to any individual county recorder's developed business requirements for electronic submissions, when a county recorder accepts electronic submissions, a trusted submitter shall comply with the requirements contained in "eRecording Business Requirements (Business Requirements Document)" dated March 2008, developed by PRIA and MISMO, which is incorporated herein by reference, as amended and supplemented. A copy of the current standards and guidelines for submission of electronic documents is available via the PRIA Resource Library at www.pria.us.

15:3-9.6 Notarization of documents

An electronic document shall be notarized under provisions contained in the New Jersey Uniform Electronic Transactions Act, N.J.S.A. 12A:12-11, Notarized signatures or records. County recorders have no responsibility for verifying or authenticating notary signatures.

15:3-9.7 Return and rejection of documents

The submitter of a recorded electronic document is the party entitled to the return of the document. Electronic documents that are recorded shall be returned with recording information upon recordation. A document may be rejected only if it does not meet the requirements set forth in N.J.S.A. 46:26A-6.a. If a document is rejected, the document shall be returned to the submitter along with a statement of all grounds for its rejection in accordance with N.J.S.A. 46:26A-6.c. If a document is rejected for technical reasons (for example, the county recorder's requirement is to accept a TIFF document for recording and the submitter submits a PDF document) the county recorder shall return the document to the submitter along with a statement of all grounds for technical rejection.

15:3-9.8 File formats

Electronically submitted documents shall be converted to TIFF format and stored in accordance with N.J.A.C. 15:3-4. Additionally, county recorders shall maintain, store, and preserve recorded documents in their "native" or original format for such periods of time as required by the State Records Committee, such as MISMO SMART Doc®, eSigned PDF and Adobe Intelligent Document Format, and Microsoft® Word with embedded-XML.

15:3-9.9 Records retention and preservation

County recorders must retain all records in their custody in accordance with New Jersey law and the requirements detailed in records retention schedules published by the Division applicable to county recorders at <http://www.state.nj.us/treasury/revenue/rms/retention.shtml#gs>. Maintenance and preservation of permanent or long-term imaged documents shall be in accordance with this chapter.

15:3-9.10 Method of payment

Each county recorder receiving electronic documents shall accept payment of recording fees by electronic means. Each county recorder may collect fees from electronically submitted electronic documents or electronic document packages in a manner compatible with its internal software, financial practices, and N.J.A.C. 5:30-9.

15:3-9.11 Business policies and procedures

(a) County recorders shall post business policies and procedures to assist customers submitting documents electronically. The policies and procedures shall set forth the county recorder's implementation of this chapter.

(b) Business policies and procedures may be in electronic or hard copy format and may appear on a third-party service's or the county recorder's website. All parties' electronic acknowledgement of the terms of the business policies and procedures is acceptable.

(c) Business policies and procedures must cover, at a minimum, the implementation of the following:

1. The types of documents that can be submitted as an electronic document or electronic document package and the technical specifications for submission;
2. Guidance concerning the use of any third-party portal for submission of documents;
3. Indexing specifications;
4. Hours of operations and processing schedules;
5. Payment options; and
6. A statement that any amendments or alterations to the business policies and procedures

will be published with a minimum advanced notice of 30 days before taking effect.

(d) A county recorder may include in its business policies and procedures other requirements consistent with N.J.S.A. 46:26A-1 et seq., and 46:26C-1 et seq., in order to assist submitters with information necessary to facilitate submission of documents.

15:3-9.12 Agreements for electronic submission

(a) Submissions to the county recorder shall be as follows:

1. Every trusted submitter or transmitting party, including third-party servicers, shall complete and sign a Trusted Submitter Agreement application with the county recorder(s). Upon notice of acceptance of the Trusted Submitter Agreement by the county recorder, the trusted submitter or transmitting party shall be authorized to submit documents electronically subject to policies established by the county recorder pursuant to N.J.A.C. 15:3-9.11. A Trusted Submitter Agreement application can be obtained from the county recorder's office.

2. The trusted submitter or transmitting party and the county recorder shall enter into an agreement specifying the terms and conditions of participation in the county recorder's electronic submission program. The provisions of the agreement shall be consistent with N.J.S.A. 46:26A-1 et seq., and 46:26C-1 et seq. At a minimum, the agreement shall address the following items:

- i. Accepted electronic submissions in the county;
- ii. Accepted document types in the county;
- iii. Defined technical specifications for data formats, document formats, electronic transmissions, and security;
- iv. Indexing fields required for each document type;
- v. Electronic signature and notarization requirements;

- vi. Payment options for recording fees and applicable taxes;
- vii. Hours during which electronic submissions will be accepted and processing schedules that affect order of acceptance;
- viii. Liabilities and responsibilities of the parties transacting electronically;
- ix. Document acceptance and rejection requirements and procedures when documents do not comply with technical specifications for data formats, document formats, electronic transmission, or security;
- x. Communication methods and contact information; and
- xi. Breach of agreement by the trusted submitter or transmitting party.

3. A county recorder may include in the agreement other procedures and requirements consistent with N.J.S.A. 46:26A-1 et seq., and 46:26C-1 et seq., in order to implement fully an electronic submission program.

(b) Third-party submission service shall be as follows:

1. If a third-party service is used to submit electronic documents to the county recorder, the county recorder shall require any trusted submitter or transmitting party to complete and sign an agreement with the organization operating the third-party service and with the county recorder.

2. The third-party agreement will govern the use, terms, and conditions of software and its related products, services, and website. The provisions of the agreement shall be consistent with N.J.S.A. 46:26A-1 et seq., and 46:26C-1 et seq. Administrative or technical information regarding computer hardware, software, and networks which, if disclosed, would jeopardize computer security shall not be subject to public disclosure. At a minimum, the agreement shall address the following items concerning electronic submission of electronic documents:

- i. Licenses and sublicenses involved in the use of a portal;
- ii. Information about the functions and features of a portal;
- iii. Code of conduct or guidelines for using a portal as the medium for electronic document delivery;
- iv. Requirements for electronic communications and website access between the trusted submitter or transmitting party and a portal;
- v. Requirements for the submission of data or information to a portal;
- vi. Liabilities and responsibilities of the parties;
- vii. Contact information;
- viii. Breach of agreement by the parties;
- ix. The portal's connectivity requirements; and
- x. Network information concerning the portal's website and any external sites connecting with the portal.

15:3-9.13 Standards and use of electronic synopsis and cover sheets

(a) Use of electronic synopsis. Effective May 1, 2017, or as implemented by individual county recorders prior to that date, electronic documents and electronic document packages may include an electronic synopsis that is consistent with this section.

1. The following data fields shall constitute an electronic synopsis and shall meet PRIA attribute and technical standards. The data fields shall state:

- i. The nature of the document;
- ii. The date of the document;
- iii. The names of the parties to the document and any other names by which the

document is to be indexed;

iv. If the document is a deed conveying title to real property:

(1) The lot and block number or other real property tax designation of the real property conveyed or a statement that the information is not available;

(2) The consideration for the conveyance; and

(3) The mailing address of the grantee; and

v. If the document is an assignment, release, or satisfaction of a mortgage or an agreement respecting a mortgage, it states the book and page number or the document identifying number of the mortgage to which it relates if the mortgage has been given such a number.

(b) Standards and use of image submissions without electronic synopsis. Effective May 1, 2017, or as implemented by individual county recorders prior to that date, document images without electronic synopses that are submitted to the county recorder may include an image of a cover sheet that is consistent with (c) below.

(c) Standards and use of printed cover sheets. The Division shall issue a common schematic format that shall serve as the basis for cover sheets. The format shall include the following elements that shall be used by individual county recorders in preparing individual cover sheets for their office.

1 . The following data fields shall be included in a printed cover sheet:

i. The nature of the document;

ii. The date of the document;

iii. The names of the parties to the document and any other names by which the document is to be indexed;

iv. If the document is a deed conveying title to real property:

(1) The lot and block number or other real property tax designation of the real property conveyed or a statement that the information is not available;

(2) The consideration for the conveyance; and

(3) The mailing address of the grantee; and

v. If the document is an assignment, release, or satisfaction of a mortgage or an agreement respecting a mortgage, it states the book and page number or the document identifying number of the mortgage to which it relates if the mortgage has been given such a number.

2. Each county recorder shall adopt a form of cover sheet based on the Division-adopted schematic that is formatted to meet the needs of recordation procedures established by each county recorder and that is compliant with this subsection. Each county recorder shall obtain validation from the Division of its compliance with this section. Once validated, each county recorder shall post each on their website and shall provide the web address of each item to the Division to post on the Division's website.

3. The cover sheet shall be treated as part of the submitted document and the appropriate fee, based on the page-based display, shall be calculated as part of the transaction.